Attachment B AB 3030 Goals and Objectives

The current Basin Plan identifies numerous management activities that are needed for the basin, including the need to establish funding and inter-agency coordination. The Plan does not, however, include management activities that are compulsory on those who pump groundwater. The Groundwater Management Plan does not include a funding plan and no enforcement provisions exist.

In order to prepare and adopt or amend an AB 3030 Plan, a groundwater management district must follow WCS 10753.2 – 10753.6 which require a resolution of intent, public notifications, preparation and participation of interested parties, hearing requirements, and the opportunity for landowners to protest. WCS 10753.6(c)(2) specifically addresses landowner protests and provides the following:

"If the local agency determines that a majority protest¹ exists, the groundwater plan may not be adopted and the local agency shall not consider adopting a plan for the area proposed to be included within the program for a period of one year..."

Therefore, an objective of the goal to develop a more robust AB 3030 Plan follows:

Objective 1(A) – Ensure that the development of a more robust AB3030 Plan includes participation of interested landowners and their support so that a majority protest does not result.

A second objective can also be drawn from the language of WCS 10753(a) since the authorization to adopt a plan only exists if the groundwater basin is "<u>not</u> subject to a court order, judgment, or decree…" (for example, the final judgment resulting from an adjudication). It is worthwhile to attempt to avoid the need for a court to enter an order, judgment, or decree governing the Basin.

Objective 1(B) – Ensure that the development of a more robust AB 3030 Plan does not create obligations or impacts that would trigger an adjudication of the Basin.

Although this second objective may seem more difficult to assess, the guidance needed in developing a more robust AB 3030 Plan would hopefully include the participation of

¹ WCS 10753.6(c)(1) states that "A majority protest shall be determined to exist if... protests filed and not withdrawn... represent more than 50 percent of the assessed value of the land... subject to groundwater management..."

the interested parties who might otherwise be inclined to institute an adjudication. If those parties believe that an adjudication will do substantially better at protecting their interests than the provision of a more robust AB 3030 Plan, then those parties may be more inclined to initiate litigation. While the initiation of litigation does not, on its own, preclude the adoption of an AB 3030 Plan (WCS 10753(a) precludes AB 3030 Plans where a court *order*, *judgment or decree* has been entered), the AB 3030 Plan should endeavor to enable interested parties to avoid the need to file a lawsuit.

Additional objectives can also be drawn from other AB 3030 Water Code Sections.

<u>Objective 1(C)</u> – Ensure that the development of a more robust AB 3030 Plan includes a comprehensive funding plan.

WCS 10754 establishes the authority to fix and collect fees and assessments needed for the groundwater management activities. WCS 10754.3 states "Before a local agency may levy a water management assessment... or otherwise fix and collect fees for the replenishment or extraction of groundwater... the local agency shall hold an election..." and "that the local agency shall be so authorized...if the majority of the votes cast at the election is in favor of the proposition."

Objective 1(D) – Ensure that the development of a more robust AB 3030 Plan includes a proposition for registered voters to authorize the ability to generate revenues.

Since the groundwater district will also be subject to Proposition 218 (1996) – the "Right to Vote on Taxes Act," the funding plan should describe how the various provisions of Prop 218 would apply to a groundwater management district. Significant differences exist in Prop 218 between developing assessments, fees and/or charges for the costs of groundwater management activities such as data collection and groundwater monitoring versus, for example, the costs of implementing a water supply project. A robust AB 3030 Plan needs to clearly illustrate these differences so that both landowners and registered voters understand the differences, and so that they can understand what their "Right to Vote on Taxes" means in the context of a groundwater management district. Likewise, it is important that a more robust AB 3030 Plan clearly illustrates how the AB 3030 funding plan will be subject to Proposition 218 even after the district is formed, since Prop 218 is part of the State Constitution and cannot be waived by a groundwater management district's governing board.

Objective 1(E) – Ensure that the development of a more robust AB 3030 Plan provides for the adoption of rules and regulations by the District.

WCS 10753.9(a) states "A local agency shall adopt rules and regulations to implement and enforce a groundwater management plan..."; WCS 10753.9(b) states that "Nothing

in this part shall be construed as authorizing a local agency to make a binding determination of the water rights of any person or entity."; and WCS 10753.9(c) states "Nothing in this part shall be construed as authorizing the local agency to limit or suspend extractions unless the local agency has determined through study and investigation that the groundwater replenishment programs or other alternative sources of water supply have proved insufficient or infeasible to lessen the demand for groundwater." Consequently, the adoption of the rules and regulations will need to specifically address the details of how the district would enforce its groundwater management activities including any effort to limit or suspend groundwater extractions, if needed in the future.

Objective 1(F) – Ensure that the more robust AB 3030 Plan is acceptable to the Board of Supervisors, acting on behalf of the Flood Control District.

WCS 10750.7 and 10750.8 include language that states "A local agency may not manage groundwater... within the service area of another local agency... without the agreement of the other local agency." On the other hand, WCS 10750.4 states "Nothing in this part requires a local agency overlying a groundwater basin to adopt or implement a groundwater management plan or groundwater management program pursuant to this part." The development of a California Water District to provide supplemental water to specific landowners would seemingly be permissible. Although different paths exist to the formation of a groundwater management district, any such district that is established may need an agreement with the Flood Control District if it intends to develop an AB 3030 Plan. It is important to recognize that the Flood Control District is already implementing the existing AB 3030 Plan. Since the transition from the Flood Control District to an independent groundwater management district is among the options under consideration, issues associated with this process will need further analysis to ensure it is acceptable to your Board.

<u>Objective 1(G)</u> – Develop more robust technical plan components.

Chapters 4 and 5 of the existing Basin Plan identify its "Goals and Objectives" and "Groundwater Management Plan Components." Since the Basin Plan does not included mandatory requirements for data collection or meters, as examples, it should be updated to address more robust technical plan elements. The Basin Plan includes eight (8) sub-areas and developing a more robust AB 3030 Plan should address whether managing the subareas differently may be beneficial. Existing evaluations indicate that groundwater level declines are different in the subareas and it may follow then that different groundwater management activities may be sensible in the different subareas. Overall, the existing Basin Plan is a good start, and has certainly helped to develop a forum for stakeholders to initiate collaborative efforts. Nevertheless, the objective to develop more robust technical plan components is necessary to provide for long-term basin stabilization.

Objective 1(H) – Clearly identify the Sequencing of Issues and Decision-Making.

While Objective 1(G) recognizes that making the existing AB 3030 Plan more robust will need significant technical efforts, Objective 1(H) is intended to help illustrate how the sequencing of those issues leads to decision-making. As previously identified, for example, WCS 10753.9(c) states:

"Nothing in this part shall be construed as authorizing the local agency to limit or suspend extractions unless the local agency has determined through study and investigation that the groundwater replenishment programs or other alternative sources of water supply have proved insufficient or infeasible to lessen the demand for groundwater."

Consequently, the feasibility studies of supplemental water and determinations must be completed before limiting or suspending extractions can be enforced by a groundwater management district pursuant to an AB 3030 Plan.

Other sequencing issues will also be identified in making the AB 3030 Plan more robust. The ability to manage the basin in its subareas will require a greater understanding of the subareas than currently exists. Dedicated monitoring wells and improved data collection will be needed prior to considering details on how, or what, the groundwater district should do in managing subareas. Likewise, it will be important to focus on some subareas earlier than other subareas. So, it is reasonable to believe that a groundwater management district may deem that management activities in some subareas require less detailed rules and regulations while those in other subareas need more detailed rules and regulations.

Lastly, the sequencing of issues and decision-making is also important to understand which issues should be decided before the creation of the groundwater management district versus which issues should be decided after the creation of the groundwater management district. Theories of "local control" and "self-regulation" might suggest that the groundwater district should be established first, and then that groundwater district would create the new and more robust AB 3030 Plan. Others might contend that the more robust AB 3030 Plan should be prepared first so that the stakeholders understand the "blueprint" on what the proposed groundwater management district will be doing.

In conclusion, the balance between the development of a more robust AB 3030 Plan and sequencing of issues, decisions, and creation of a groundwater management district need to provide as much clarity as possible so that stakeholders understand how the district will function while also recognizing that many decisions can be made only after the groundwater management district is created and its governing board is established.

Objective 1(I) – Ensure that the Plan provides for coordination with other Agencies and other efforts.

The existing AB 3030 Basin Plan covers a portion of the Basin, but not its entirety. In addition, several water purveying entities exist and pump from the basin. AB 3030 limits the ability of the any local agency to implement a plan over the service area of other local agencies without their agreement. As a result, a more robust AB 3030 should address the other agencies and other efforts relating to the overall management of the groundwater basin.

In some cases, updating the AB 3030 Plan will simply require an explanation of those other efforts. For example, the City of Paso Robles is currently developing a Salt and Nutrient Management Plan in accordance with the requirements of the Regional Water Board, which addresses water quality. A more robust AB 3030 Plan should explain the effect of County's ordinances. In addition, the development of a Joint Powers Authority (JPA) should be considered so that the anticipated groundwater management district can convene with the other local agencies, in a formal setting, to review annual reports and to confer on cooperative efforts that should be pursued collectively by the local agencies.

Summary of Goal #1 to develop a more robust AB 3030 Plan.

That intent to develop a groundwater management district has been expressed locally by many as an important component of local efforts necessary to avoid the coercive process of an adjudication. The goals and objectives of a more robust AB 3030 Plan have been developed for your Board discussions to help further identify how to address the decision making of landowners, registered voters, and the County and to identify the need for a funding plan, a funding proposition, rules and regulations, technical improvements and proper sequencing of decisions.

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